

Winton Shire Council
Audit, Risk & Improvement Committee Meeting
held at Winton Shire Council Boardroom
on Thursday, 22 August 2024 at 2:05 pm

1 MEMBERS PRESENT

Cr Tina Elliott (Chair), Mr Peter Gogsch (Accountant), Ms Sabrina Frank – on line (Queensland Audit Office), Mr Matthew Monaghan – on line (Audit – William Buck)

PRESENT

Cr Cathy White, Mr Adam Seiler (Interim Finance Manager) and Mr Roger Naidoo (Acting Chief Executive Officer).

2 APOLOGIES

Ricki Bruhn (Interim CEO), Cr Julie Dorries, Mr Jacques Coetzee (QAO), Lisa Fraser (will no longer be participating) – Jacques will now be standing in her place, Ms Lacey Cluff (Community Member – resigned)

3 CONFLICT OF INTEREST

Nil

4 MINUTES OF PREVIOUS MEETING

No amendments.

5 REPORT

Business arising out of previous meeting

- a) Nil other than in relation to Item No. 3

Recommendation Status

- a) Thank you letters
These letters have been written and will be signed and sent today
- b) Non-disclosure agreement
Email to community members for their review and to provide details to complete.



AUDIT REPORTS

- a) Procurement, Water Quality, Investigation Finding, WHS
Adam Seiler is to be given access to required spreadsheets
- Procurement – some of this has been progressed.
 - Water Quality – providing responses in relation to the document to go into the Queensland Government report. Is being progressed by Director of Works.
 - The Investigation Finding report may not need to go to this meeting – may need to redact if necessary.
 - WHS – a lot of this has been addressed. A mentor will be arriving shortly for a month to provide assurance and guidance to improve this area.

QUEENSLAND AUDIT OFFICE REPORTS

- a) Briefing Paper
- Asset valuations have been completed (March 2024) – the summary report was outstanding however this has now been received. (should not cause any delays with the finalisation of the audit). Result is broadly speaking break even due to indexation applied over previous years – no material change anticipated.
 - Year end visit is on track
 - Financial statements have been sent, reviewed and amended.
 - Geothermal Project – CEO is working on this following the mediation meeting.
 - Contract Assets & Liabilities – has been calculated and have a position.
 - Underpayment of wages at Neighbourhood Centre – has been finalised and reviewed and a final report should be received tomorrow.

QAO – documents and checklists issued – response and recovery from Cyber Attacks, etc. Upcoming reports – Qld Regional Water Quality has been pushed out to September 2024, and the Local Government pushed to December 2024.

- b) Interim Report
- Purchase orders raised and approved after the supplier invoice date – ensure proper process followed – noted that an email directive to staff has been issued Discussion about how staff are educated in the process – not seen as malicious intent, rather not knowing the procedure.
 - IT access controls and system rights management – constantly needs to be updated.



- Tenders and contracts disclosures – to be completed to meet governance requirements
- Leave forms not evidencing approval of leave before leave is taken.
- Contract register not maintained
- Roads to recovery and LRCIP grant acquittals – now addressed / being attended to.

ANNUAL INTERNAL AUDIT PLAN

Internal auditors started the process but was not completed. There is a requirement to have a plan which has been sent through to the auditor now. Carolyn Eagle, Council's internal auditor (Pacifica has been engaged for the next two years).

Action: Add Internal Auditor as a person invited to this meeting in future.

OTHER BUSINESS

Not ready to consider the financial report at this time. This meeting is held a little early for the financial reports to be considered.

Items the Committee should be aware of:

- a) Property Plant & Equipment – flood damage (Council infrastructure) looking at a claim of around \$10.5 million – still ascertaining the write off impact.
- b) Decline in Cash Balances – two main issues
 - Increase in net contract balances owing to Council – money spent and not yet recovered from funding bodies (for example, QRA) \$2 million increase in this area.
 - Financial Assistance Grant is usually prepaid ¾ in June which has not occurred so a cash impact (adversely affect by \$8.5 million).

Meeting closed at 2.52pm

NEXT MEETING DATE

Ordinary Meeting scheduled: 28 November 2024. This is likely to be changed depending on when the audit is finalised, may be mid-October 2024.

